



**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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June 25, 2010

TO: Supervisor Gloria Molina, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe  
Auditor-Controller

SUBJECT: **HERITAGE CLINIC, THE CENTER FOR AGING RESOURCES  
CONTRACT REVIEW – A DEPARTMENT OF MENTAL HEALTH  
SERVICE PROVIDER**

We completed a program review of Heritage Clinic, The Center for Aging Resources (Heritage or Agency), a Department of Mental Health (DMH) service provider. The purpose of our review was to determine whether Heritage provided the services and maintained proper documentation, as required by the County contract. Services include interviewing program clients, assessing their mental health needs, and developing and implementing a treatment plan.

DMH paid Heritage between \$1.69 and \$4.19 per minute of staff time (\$101.40 to \$251.40 per hour) for services or approximately \$2.3 million for Fiscal Years 2008-09 and 2009-10. The Agency's headquarters is located in the Fifth District.

**Results of Review**

Heritage staff assigned to the County contract possessed the required qualifications. In addition, Heritage provided the services billed in accordance with the County contract. However, the Agency did not maintain adequate documentation to support \$647 in billings for 372 (7%) of the 5,699 service minutes sampled or complete some elements of the Assessments, Client Care Plans and Progress Notes in accordance with the County contract. Heritage indicated that they would repay the \$647 in undocumented billings, provide training to staff and implement new procedures to ensure that the recommendations are implemented.

We have attached the details of our review along with recommendations for corrective action.

**Review of Report**

We discussed the results of our review with Heritage and DMH. In the attached response, the Agency agreed with our findings and recommendations. DMH will ensure that the recommendations are implemented.

We thank Heritage management for their cooperation and assistance during this review. Please call me if you have any questions or your staff may contact Don Chadwick at (213) 253-0301.

WLW:MMO:JET:DC:EB

Attachment

c: William T Fujioka, Chief Executive Officer  
Dr. Marvin J. Southard, Director, Department of Mental Health  
Ellen Sherwood Wight, Chairperson, Board of Directors, Heritage Clinic  
Vatche Kelartinian, Chief Executive Officer, Heritage Clinic  
Public Information Office  
Audit Committee

**DEPARTMENT OF MENTAL HEALTH  
HERITAGE CLINIC, THE CENTER FOR AGING RESOURCES  
FISCAL YEARS 2008-09 AND 2009-10**

**BACKGROUND/PURPOSE**

The Department of Mental Health (DMH) contracts with Heritage Clinic, The Center for Aging Resources (Heritage or Agency), a private, non-profit, community-based organization that provides services to clients in Service Planning Areas 1, 3 and 8. Services include interviewing program clients, assessing their mental health needs, and developing and implementing a treatment plan.

The purpose of our review was to determine the appropriateness of the services Heritage provided based on available documentation in accordance with the County contract. This included a review of the Agency's billings, participant charts and personnel records. We also interviewed a number of the Agency's staff.

**BILLED SERVICES**

**Objective**

Determine whether Heritage provided the services billed in accordance with their County contract with DMH.

**Verification**

We judgmentally selected 40 billings totaling 5,699 minutes from 188,940 service minutes of approved Medi-Cal billings for June and July 2009, which were the most current billings available at the time of our review (February 2010). We reviewed the Assessments, Client Care Plans and Progress Notes maintained in the clients' charts for the selected billings. The 5,699 minutes represent services provided to 15 program participants.

**Results**

Heritage billed DMH \$647 for 372 (274 + 98) (7%) of the 5,699 service minutes sampled without adequate documentation to support the billings. Specifically, Heritage billed DMH for 274 service minutes provided to a client in jail, which were not billable services in accordance with the County contract and 98 service minutes without documentation to support the services provided.

In addition, the Agency did not always complete some elements of the Assessments, Client Care Plans and Progress Notes in accordance with the County contract requirements.

**Assessments**

Heritage did not adequately describe the clients' symptoms and behaviors consistent with the Diagnostic and Statistical Manual of Mental Disorder (DSM) to support the given diagnosis for four (27%) of the 15 clients sampled on their Assessments. An Assessment is a diagnostic tool used to document the clinical evaluation of each client and establish the client's mental health treatment needs. The County contract requires Agencies to follow the DSM when diagnosing clients.

**Client Care Plans**

Heritage did not complete the Client Care Plans in accordance with the County contract for six (40%) of the 15 clients sampled. Specifically, the Client Care Plans did not contain objectives that were specific and/or quantifiable.

**Progress Notes**

Heritage did not complete four (10%) of the 40 Progress Notes sampled in accordance with the County contract. Specifically, the Progress Notes billed for mental health Services did not describe what the clients or service staff attempted and/or accomplished towards the clients' goals.

**Recommendations****Heritage management:**

- 1. Repay DMH \$647.**
- 2. Ensure that service minutes billed are allowable mental health services in accordance with the County contract.**
- 3. Maintain sufficient documentation to support the service minutes billed to DMH.**
- 4. Ensure that Assessments, Client Care Plans and Progress Notes are completed in accordance with the County contract.**

**STAFFING LEVELS****Objective**

Determine whether the Agency maintained the appropriate staffing ratios for applicable services.

We did not perform test work in this section, as the Agency did not provide services that require staffing ratios for this particular program.

**Recommendation**

None.

**STAFFING QUALIFICATIONS**

**Objective**

Determine whether Heritage's treatment staff possessed the required qualifications to provide the services.

**Verification**

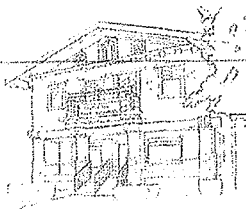
We reviewed the California Board of Behavioral Sciences' website and/or the personnel files for 17 of the 41 Heritage treatment staff who provided services to DMH clients during June and July 2009.

**Results**

Each employee in our sample possessed the qualifications required to provide the services billed.

**Recommendation**

None.



## The Center for Aging Resources

May 17, 2010

To: Wendy Watanabe  
Auditor Controller

Re: Corrective action plan regarding the program review for Heritage Clinic  
and the Community assistance Program for Seniors

### Heritage Clinic

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(626) 877-8480  
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1940 Market Street  
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1037 West Avenue N  
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The Community Assistance  
Program for Seniors  
Alzheimer's Day Care Centers

3740 E. Sierra Madre Blvd.  
Pasadena, CA 91107  
(626) 351-5427  
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520 South Lark Ellen Ave.  
West Covina, CA 91791  
(626) 917-4484  
Fax (626) 917-4476

Website  
[www.centerforagingresources.org](http://www.centerforagingresources.org)

A. Recommendation #1: Repay DMH \$647.

Response: recommendation accepted

B. Recommendation #2: Ensure that service minutes billed are  
allowable mental health services in accordance  
with County contract.

Response: Recommendation accepted.

- i. In the future, Heritage Clinic will be more careful to determine location of client and will not bill for services when client is in jail.
- ii. The agency billed for Mental Health Services in error, when the services was actually TCM. Clinicians have been re-trained, and progress notes will be carefully reviewed by their supervisors to avoid this error in the future.

C. Recommendation #3: Maintain sufficient documentation to support  
the service minutes billed to DMH.

Response: Recommendation accepted.

- i. To ensure that progress notes are not lost, Heritage Clinic has implemented a more secure system of transporting progress notes between outlying offices and the billing office.
- ii. Also, Heritage Clinic is in the process of implementing an EHRS system that will eliminate the need for paper progress notes and increase security. This system should be in place by early 2011.



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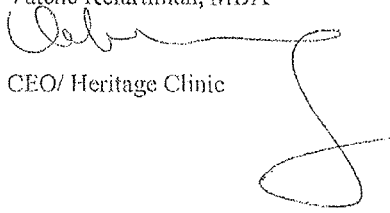
D. Recommendation #4: Ensure that Assessments, Client Care Plans and Progress Notes are completed in accordance with the County contract.

Response: Recommendation accepted.

- i. In the future, Heritage Clinic clinicians will more carefully document the symptoms and conditions of the clients they assess in the Assessments.
- ii. Heritage Clinic will train and monitor its clinicians in developing and following specific and measureable/quantifiable objectives in the CCCPs.
- iii. Heritage Clinic supervisors will train clinicians to more carefully follow the CCCP treatment plans and document this more specifically in the progress notes.

If you have any questions please do not hesitate to contact me.

Yours truly,  
Vatche Kelartinian, MBA

  
CEO/ Heritage Clinic